



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-138]

Pentafluoroethane (R-125) from the People's Republic of China: Amended Preliminary Countervailing Duty Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) is amending the scope of the countervailing duty (CVD) investigation of pentafluoroethane (R-125) from the People's Republic of China (China) to conform with the scope published in the preliminary determination of the companion antidumping duty (AD) investigation of R-125 from China. The period of investigation is January 1, 2020, through December 31, 2020.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Joshua Tucker or Adam Simons, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2044 or (202) 482-6172, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce published its *CVD Preliminary Determination* on June 25, 2021.¹

¹ See *Pentafluoroethane (R-125) from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 86 FR 33648 (June 25, 2021) (*CVD Preliminary Determination*).

On August 17, 2021, Commerce published the *AD Preliminary Determination* within which the scope of the investigations was amended to exclude certain products, and to clarify the inclusion of certain products, based upon comments received from interested parties.²

Amended Scope of the Investigation

The product covered by this investigation is R-125 from China. We are amending the scope of the CVD investigation to conform with the scope of the companion AD investigation, as indicated below. Specifically, we are preliminarily:

- excluding R-125 contained in blends that conform to American National Standards Institute (ANSI)/American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE) Standard 34.
- only covering R-125 contained in blends not conforming to ANSI/ASHRAE Standard 34 (*i.e.*, unfinished blends) when such blends contain greater than 85 percent by volume on an actual percentage basis of R-125.
- removing the word “current” from the exclusion of merchandise subject to the order on *Hydrofluorocarbon Blends from the People’s Republic of China*.
- clarifying that the scope includes purified and unpurified R-125 that is processed in a third country as long as such processing would not otherwise remove the R-125 from the scope of the investigation if performed in China.
- updating the applicable list of Harmonized Tariff Schedule of the United States (HTSUS) codes for the merchandise subject to the investigation due to an update to the HTSUS that occurred on July 1, 2021.

² See *Pentafluoroethane (R-125) from the People’s Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances, in Part, Postponement of Final Determination, and Extension of Provisional Measures*, 86 FR 45959 (August 17, 2021) (*AD Preliminary Determination*), and accompanying Issues and Decision Memorandum at 5-6; *see also* Memorandum, “Antidumping and Countervailing Duty Investigations of Pentafluoroethane (R-125) from the People’s Republic of China: Preliminary Scope Decision Memorandum,” dated August 10, 2021, which was placed on the records of the AD and CVD investigations.

These preliminary scope modifications were first enumerated in the *AD Preliminary Determination*.³ For a complete description of the amended scope of this investigation, see the appendix to this notice.

Suspension of Liquidation

We have not revised the estimated cash deposit rates published in the *CVD Preliminary Determination*. In accordance with section 703(d)(1)(B) and (d)(2) of the Tariff Act of 1930, as amended (the Act), we will direct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of entries of subject merchandise as described in the amended scope of the investigation, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*, and to continue to require a cash deposit, pursuant to 19 CFR 351.205(d). Additionally, because certain products are now excluded from the scope of the investigation, Commerce will instruct CBP to terminate suspension of liquidation of those excluded products, and to refund any cash deposits previously posted with respect to them.

Public Comment

Commerce has set a separate deadline for scope comments in the AD and CVD R-125 investigation proceedings.⁴ The current deadline for case briefs regarding scope issues is 21 days after the publication of the *AD Preliminary Determination*, which is September 7, 2021, and the deadline for rebuttal briefs regarding scope issues is seven days after scope case briefs are due, which is September 14, 2021.⁵ Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit scope case briefs or scope rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. For all scope issues, parties must file separate and identical

³ See *AD Preliminary Determination*, 86 FR at 45962.

⁴ *Id.*

⁵ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

documents on the records of both the AD and CVD investigations. No new factual information or proprietary information should be included in the scope case briefs and scope rebuttal briefs.

Notifications

In accordance with section 703(f) of the Act, Commerce will notify the International Trade Commission of its amended determination. This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act and 19 CFR 351.205(c).

Dated: August 24, 2021.

Christian Marsh,
Acting Assistant Secretary
for Enforcement and Compliance.

Appendix

Scope of the Investigation

The merchandise covered by this investigation is pentafluoroethane (R-125), or its chemical equivalent, regardless of form, type or purity level. R-125 has the Chemical Abstracts Service (CAS) registry number of 354-33-6 and the chemical formula C₂HF₅. R-125 is also referred to as Pentafluoroethane, Genetron HFC 125, Khladon 125, Suva 125, Freon 125, and Fc-125.

R-125 that has been blended with other products is included within the scope if such blends contain 85% or more by volume R-125, on an actual percentage basis. However, R-125 incorporated into a blend that conforms to ANSI/ASHRAE Standard 34 is excluded from the scope of this investigation. When R-125 is blended with other products and otherwise falls under the scope of this investigation, only the R-125 component of the mixture is covered by the scope of this investigation.

Subject merchandise also includes purified and unpurified R-125 that is processed in a third country or otherwise outside the customs territory of the United States, including, but not limited to, purifying, blending, or any other processing that would not otherwise remove the merchandise from the scope of this investigation if performed in the country of manufacture of the in-scope R-125. The scope also includes R-125 that is commingled with R-125 from sources not subject to this investigation. Only the subject component of such commingled products is covered by the scope of this investigation.

Excluded from the scope is merchandise covered by the scope of the antidumping order on *Hydrofluorocarbon Blends from the People's Republic of China*, including merchandise subject to the affirmative anti-circumvention determination in *Hydrofluorocarbon Blends from the People's Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order; Unfinished R-32/R-125 Blends*, 85 FR 15428 (March 18, 2020). See *Hydrofluorocarbon Blends from the People's Republic of China: Antidumping Duty Order*, 81 FR 55436 (August 19, 2016) (the Blends Order).

R-125 is classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2903.39.2035 and 2903.39.2938. Merchandise subject to the scope may also be entered under HTSUS subheadings 2903.39.2045, 3824.78.0020, and 3824.78.0050. The HTSUS subheadings and CAS registry number are provided for convenience and customs purposes. The written description of the scope of the investigation is dispositive.

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